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ORIGINAL

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EX PARTE OR LATE FILED

December 3, 1999

BY HAND

Magalie Roman Salas, Secretary
Federal Communications Commission
445 Twelfth Street, SW -- Room TW-A325
Washington, D.C. 20554

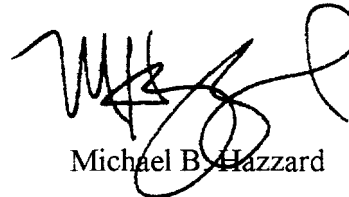
Re: CC Docket No. 99-272

Dear Ms. Salas:

On December 2, 1999, Royce Holland and Robert A. McCausland of Allegiance Telecom, Inc. and A. Richard Metzger and Michael B. Hazzard of Lawler, Metzger & Milkman, LLC, counsel to Allegiance Telecom, met with Common Carrier Bureau Staff to discuss Allegiance's views on certain issues pending before the Commission in the above-referenced proceeding. Allegiance's position on issues under consideration in this proceeding are explained in its comments in the above-referenced proceeding and the enclosed document.

Pursuant to section 1.1206(b)(1) of the Commission's rules, 47 C.F.R. §1.1206(b)(1), an original and one copy of this letter and enclosure are being provided to you for inclusion in the public record of each of the above-referenced proceedings.

Sincerely,



Michael B. Hazzard

Enclosure

cc: Robert C. Atkinson
Margaret Egler
Jonathan Reel
David C. Kirschner

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REALITIES:

- ILECs' Substantial Market Domination Continues
- Permanent Obligations In The Act Are Viewed As Voluntary By The ILECs
- CLECs Cannot Effectively Compete Without Full ILEC Compliance
- The Behavior Of ILECs Remains Sporadic
- ILECs Have Exploited Their Monopoly Positions Through Their Use Of Long-Term Customer Contracts



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CONSUMERS WILL BENEFIT FROM STRONG AND WELL-ENFORCED ILEC MERGER CONDITIONS:

Examples Include:

- Regionally-Uniform OSS Interfaces And Business Processes
- Performance Measurements And Penalties
- Use Of Independent Auditors To Ensure Initial And On-Going Compliance
- Easily-Invoked Most Favored Nations Mechanisms
- AM/SBC Merger Conditions As Minimum Conditions For Other ILEC Mergers



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ALLEGIANCE RECOMMENDS A
THREE-TIERED ANTI-BACKSLIDING
PENALTY APPROACH:

- 1) Tier 1 : Impose UNE Price Reductions
- 2) Tier 2 : Suspend A Backsliding RBOC's
Authority To Sell In-Region InterLATA LD
Without Affecting Existing Customer Services
- 3) Tier 3 : Impose Substantial Fines



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CONSUMERS NEED “CUSTOMER
LIBERATION” FRESH LOOK
OPPORTUNITIES UNTIL ILEC MARKET
DOMINATION HAS ENDED:

T-1 Based Local Service Examples
Include:

- Digital PBX Trunks
- PRIs
- ISDN Lines



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